

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4532-01
Bill No. HB 1791
Subject: Health Care; Health Department; Insurance - Medical
Type: Original
Date: March 11, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	(\$0 to less than \$50,000)	(\$0 to less than \$50,000)	(\$0 to less than \$50,000)
Total Estimated Net Effect on <u>All</u> State Funds	(\$0 to less than \$50,000)	(\$0 to less than \$50,000)	(\$0 to less than \$50,000)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Federal*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

***Revenues and expenditures would be less than \$100,000 and would net to \$0**

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Official from **Missouri Consolidated Health Care Plan**, the **Missouri Department of Conservation**, the **Department of Transportation**, and the **Department of Public Safety - Missouri State Highway Patrol** assume this proposal would not fiscally impact their agency.

Officials from the **Department of Social Services (DOS)** assume this legislation would have a fiscal impact on the Division of Medical Services. DOS states the effect of this proposal is that if a health carrier has one of these certifications, then their network is deemed adequate. DOS has relied on the network access filing as the way to determine network adequacy for MC+ health plans to avoid duplicating requirements across departments. The Center for Medicare and Medicaid Services (CMS) has approved the Department of Insurance's network access filing as Missouri's method of monitoring adequate networks. If the CMS will not approve the method of assuring network adequacy described in this legislation, the Division of Medical Services estimates the cost of looking separately at the networks which would be exempt under this new legislation.

Officials from the **Department of Insurance (INS)** assume this legislation will have little impact on the number of HMO's which receive network adequacy reviews. INS states currently only one HMO has JCAHO network accreditation. INS states there are 6 HMO's in the Medicare network, but the INS assumes it would still be required to review the non-Medicare portion of an HMO business. It is unknown how many HMO's there are with NCQA accreditation. INS assumes this proposal would not fiscally impact their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
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GENERAL REVENUE FUND

Costs - Department of Social Services

Review of network adequacy	<u>(\$0 to less than \$50,000)</u>	<u>(\$0 to less than \$50,000)</u>	<u>(\$0 to less than \$50,000)</u>
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ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$0 to less than \$50,000)</u>	<u>(\$0 to less than \$50,000)</u>	<u>(\$0 to less than \$50,000)</u>
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FEDERAL FUND

Income - Department of Social Services

CM:LR:OD (12/01)

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
Medicaid reimbursements	\$0 to less than \$50,000	\$0 to less than \$50,000	\$0 to less than \$50,000

<u>Costs - Department of Social Services</u>			
Review of network adequacy	<u>(\$0 to less than \$50,000)</u>	<u>(\$0 to less than \$50,000)</u>	<u>(\$0 to less than \$50,000)</u>

ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal may impact small businesses which are health carriers.

DESCRIPTION

This proposal exempts health carriers from a requirement that they file a health care access plan with the INS if the health carrier meets federal requirements for the "Medicare + Choice" care plan or has received accreditation from certain quality assurance organizations.

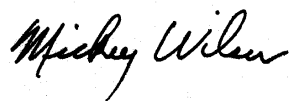
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Transportation
 Department of Social Services

CM:LR:OD (12/01)

Missouri Consolidated Health Care Plan
Department of Insurance
Missouri Department of Conservation
Department of Public Safety -
Missouri State Highway Patrol

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Acting Director
March 11, 2002